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June 18, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

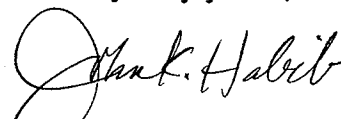
RE: Investigation Regarding the Assignment of Interstate Pipeline Capacity
Pursuant to D.T.E. 98-32-B, D.T.E. 04-1

Dear Ms. Cottrell:

On behalf of New England Gas Company (the "Company"), please find attached responses to Information Requests LDC-1 through 13 asked by the Department in this proceeding.

Please contact me if you have any questions regarding this correspondence.

Very truly yours,



John K. Habib

Enclosures

cc: Service List
Peter Czekanski

Information Request DTE-LDC-1-1

Please provide the following information for all of the Company's current gas supply and storage contracts in a tabular form.

- (a) name of supplier or storage facility
- (b) length of contract, indicating starting and expiration dates
- (c) total volume and Maximum Daily Quantity ("MDQ")
- (d) pricing terms
- (e) delivery points
- (e) terms of contract, e.g., whether evergreen

Response

Please see Attachment DTE-LDC-1-1 (NEGASCO).

Response

| | | | | | | | | | | | | | | | | | |
|-------------------|---------------|------------------|------------------------|------------------------------|----------|----------------------------|------------------------|------------------------------|----------------------------|---------------|--------------------|-----------------------|----------------------|---------------------|-----------------------------|---------------------------------|--|
| COMPANY | STORAGE | Rate Schedule | Contract # | MDWQ | Capacity | Svc Days | Billing Rate \$/Dth | Annual Demand Payments | Inj./Withdr rate \$/Dth | Start Date | Expiration Date | Notification Terms | Notification Date | Receipt Points | Delivery Points | Evergreen ROFR yes yes | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| Fall River | Dominion | GSS-TE | 600041 | 2,950 | 283,088 | 96 | \$3,2625 | \$115,494 | .0215/0177 | 06/01/93 | 03/31/07 | 2 years | 03/31/05 | Leidy, Oakford, Pa. | Leidy, Oakford, Pa. (Telco) | | |
| Fall River | Texas Eastern | FSS-1 | 400510 | 327 | 19,620 | 60 | \$1,6315 | \$6,402 | .0369/.039 | 09/01/84 | 10/30/09 | 5 years | 10/30/04 | Leidy, Oakford, Pa. | Lambertville, Hanover N.J. | | |
| Fall River | Texas Eastern | SS-1 | 400187 | 9,114 | 641,735 | 70 | \$6,2437 | \$682,881 | .0369/.0632 | 09/01/94 | 04/29/10 | 5 years | 04/29/05 | Leidy, Oakford, Pa. | Lambertville, Hanover N.J. | | |
| | | | | 12,391 | | | | | | | | | | | | | |
| COMPANY | STORAGE | Rate Schedule | Contract # | MDWQ | Capacity | Svc Days | Billing Rate \$/Dth | Annual Demand Payments | Inj./Withdr rate \$/Dth | Start Date | Expiration Date | Notification Terms | Notification Date | Receipt Points | Delivery Points | Evergreen ROFR yes yes | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| No. Attleboro | Dominion | GSS-TE | 600007 | 100 | 9,265 | 83 | \$3,2145 | \$3,857 | .0215/0177 | 06/01/93 | 03/31/07 | 2 years | 03/31/05 | Leidy, Oakford, Pa. | Leidy, Oakford, Pa. (Telco) | | |
| No. Attleboro | National Fuel | ESS | G000542 | 381 | 57,531 | 151 | \$6,6577 | \$39,583 | .0139/.016 | 08/01/93 | 03/31/06 | 12 months | 03/31/05 | N.F. Storage | Transco - Wharton | | |
| No. Attleboro | Texas Eastern | SS-1 | 400220 | 375 | 27,602 | 74 | \$6,2780 | \$28,251 | .0369/.0632 | 06/01/93 | 04/30/12 | 5 years | 05/01/07 | Leidy, Oakford, Pa. | Lambertville, Hanover N.J. | | |
| No. Attleboro | Texas Eastern | FSS-1 | 400512 | 16 | 960 | 60 | \$1,5425 | \$296 | .0369/.039 | 06/01/93 | 04/30/12 | 5 years | 05/01/07 | Leidy, Oakford, Pa. | Lambertville, Hanover N.J. | | |
| | | | | 872 | | | | | | | | | | | | | |
| | | | | 25,654 | | | | | | | | | | | | | |
| Supplies | | | | | | | | | | | | | | | | | |
| COMPANY | SUPPLIER | MDQ | Billing Rate \$/Dth | Annual Demand Payments | | PRICING TERMS COMMODITY | Exp Date | Start Date | Notification Terms | | Exp Date | | | | | | |
| No. Attleboro | DETM | 848 | \$0.02 | \$6,190 | | First of Month | 6/30/04 | 7/1/03 | No | | 6/30/04 | | | | | | |
| Index Inside FERC | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | Receipt Points | Delivery Point | | | |
| | | | | | | | | | | | | | Telco Supply Area | Market Access Area | | | |
| | | | | | | | | | | | | | ELA, WLA,ETX, | STX | | | |

Information Request DTE-LDC-1-2

Please provide the following information for all current transportation contracts in a tabular form.

- (a) length of contract, indicating starting and expiration dates
- (b) total volume and Maximum Daily Quantity ("MDQ")
- (c) pricing terms
- (d) terms of contract, e.g., whether evergreen
- (e) name of interstate pipeline

Response

Please see Attachment DTE-LDC-1-2 (NEGASCO).

Information Request DTE-LDC-1-2

Response

| <u>COMPANY</u> | <u>PIPELINE</u> | <u>Rate Schedule</u> | <u>Contract #</u> | <u>MDQ</u> | <u>ACQ</u> | <u>Billing Rate \$/Dth</u> | <u>Annual Demand Payments</u> | <u>Start Date</u> | <u>Expiration Date</u> | <u>Notification Terms</u> | <u>Notification Date</u> | <u>Evergreen</u> | <u>Receipt Points</u> | <u>Delivery Points</u> |
|----------------|-------------------|----------------------|-------------------|------------|------------|----------------------------|-------------------------------|-------------------|------------------------|---------------------------|--------------------------|------------------|----------------------------|--------------------------|
| Fall River | Algonquin | AFT-1 | 510026 | 7,500 | 2,737,500 | \$6.5854 | \$592,686 | 11/01/01 | 10/31/05 12 months | | 10/31/04 | yes | Lambertville, N.J. (Telco) | Fall River City Gate |
| Fall River | Algonquin (a) | AFT-1Z | 86011 | 653 | 176,310 | \$6.6164 | \$51,846 | 05/19/93 | 04/30/05 12 months | | 04/30/04 | (a) | No Primary point | No Primary point |
| Fall River | Algonquin | AFT-1 | 93405 | 3,752 | 1,369,480 | \$6.6164 | \$297,897 | 05/19/93 | 10/31/12 12 months | | 10/31/11 | yes | Lambertville, N.J. (Telco) | Fall River City Gate |
| Fall River | Algonquin | AFT-1 | 98104 | 1,880 | 399,156 | \$6.6164 | \$149,266 | 05/19/93 | 10/31/12 12 months | | 10/31/11 | yes | Lambertville, N.J. (Telco) | Fall River City Gate |
| Fall River | Algonquin | AFT-1 | 93007EC | 21,730 | 6,581,724 | \$6.6164 | \$1,725,292 | 10/27/97 | 10/31/12 12 months | | 10/31/11 | yes | Lambertville/Hanover, N.J. | Fall River City Gate |
| Fall River | Algonquin Hubline | AFT-1 | 510054 | 5,000 | 1,825,000 | \$11.5583 | \$693,498 | 06/20/03 | 10/31/13 12 months | | 10/31/12 | yes | Interconnect with M&N | Fall River City Gate |
| Fall River | Texas Eastern (b) | CDS Zn1-3 | 800463 | 17,048 | 6,222,520 | \$15.1518 | \$3,089,692 | 09/01/94 | 10/31/12 Five Years | | 11/01/07 | yes | Supply Area | Lambertville, N.J. (AGT) |
| Fall River | Texas Eastern (b) | CDS Zn1-3 | 800109 | 1,013 | 369,745 | \$15.1507 | \$184,172 | 05/19/93 | 10/31/12 Five Years | | 11/01/07 | yes | Supply Area | Lambertville, N.J. (AGT) |
| Fall River | Texas Eastern | CDS Zn3-3 | 800430 | 327 | 119,355 | \$5.2340 | \$20,538 | 09/01/94 | 04/30/12 Five Years | | 05/01/07 | yes | Leidy | Lambertville, N.J. (AGT) |
| Fall River | Texas Eastern | FTS-7 | 331702 | 1,871 | 682,915 | \$6.5760 | \$147,644 | 06/01/93 | 04/30/07 Two Years | | 04/30/05 | yes | Oakford/Leidy | Lambertville, N.J. (AGT) |

(a) Termination Letter has been sent

(b) Texas Eastern rates are combined supply and market area costs divided by market area MDQ

| <u>COMPANY</u> | <u>PIPELINE</u> | <u>Rate Schedule</u> | <u>Contract #</u> | <u>MDQ</u> | <u>ACQ</u> | <u>Billing Rate \$/Dth</u> | <u>Annual Demand Payments</u> | <u>Start Date</u> | <u>Expiration Date</u> | <u>Notification Terms</u> | <u>Notification Date</u> | <u>Evergreen</u> | <u>Receipt Points</u> | <u>Delivery Points</u> |
|----------------|-------------------|----------------------|-------------------|------------|------------|----------------------------|-------------------------------|-------------------|------------------------|---------------------------|--------------------------|------------------|-----------------------------|--------------------------|
| No. Attleboro | Algonquin | AFT-1 | 98053 | 4,000 | 1,460,000 | \$6.6354 | \$318,499 | 11/01/00 | 10/31/05 12 months | | 10/31/04 | yes | Lambertville, N.J. (Telco) | NAG City Gate |
| No. Attleboro | Algonquin (a) | AFT-1SZ | 86010 | 32 | 8,640 | \$2.6342 | \$1,012 | 09/01/94 | 04/30/05 12 months | | 04/30/04 | (a) | No Primary point | No Primary point |
| No. Attleboro | Algonquin | AFT-1S | 98003SC | 917 | 286,205 | \$2.6342 | \$28,987 | 05/01/96 | 10/31/12 12 months | | 10/31/11 | yes | Centerville, N.J. (Transco) | NAG City Gate |
| No. Attleboro | Algonquin | AFT-ES | 93003ESC | 1,082 | 282,454 | \$2.6342 | \$34,202 | 06/01/93 | 10/31/12 12 months | | 10/31/11 | yes | Lambertville, N.J. (Telco) | NAG City Gate |
| No. Attleboro | Dominion | FTNN | 100018 | 77 | 28,105 | \$5.3476 | \$4,941 | 11/01/01 | 03/31/05 12 months | | 03/31/04 | ROFR | Oakford, Pa. (Telco) | Leidy (Telco) |
| No. Attleboro | National Fuel | EFT | E00531 | 830 | 125,330 | \$3.5568 | \$35,426 | 11/01/93 | 03/31/05 12 months | | 03/31/04 | yes | Appalachian pool | Wharton, N.Y. (Transco) |
| No. Attleboro | Texas Eastern (b) | FT-1 Zn1-2 | 800352 | 79 | 28,835 | \$12.1076 | \$11,478 | 10/01/93 | 10/31/12 5 years | | 10/31/07 | yes | Supply Area | Oakford, Pa. (Dominion) |
| No. Attleboro | Texas Eastern (b) | CDS Zn1-3 | 800302 | 727 | 265,355 | \$15.2485 | \$133,028 | 06/01/93 | 10/31/12 5 years | | 10/31/07 | yes | Supply Area | Lambertville, Hanover |
| No. Attleboro | Texas Eastern (b) | CDS Zn1-3 | 800433 | 12 | 4,380 | \$15.2353 | \$2,194 | 09/01/94 | 10/31/12 5 years | | 10/31/07 | yes | Supply Area | Lambertville, N.J. (AGT) |
| No. Attleboro | Texas Eastern | CDS Zn3-3 | 800434 | 16 | 5,840 | \$5.2340 | \$1,005 | 09/01/94 | 10/31/12 5 years | | 10/31/07 | yes | Leidy, Pa. | Lambertville, N.J. (AGT) |
| No. Attleboro | Texas Eastern | FTS | 330843 | 77 | 28,105 | \$5.3510 | \$4,944 | 06/01/93 | 10/31/09 2 Years | | 10/31/07 | yes | Leidy, Pa. | Lambertville, N.J. (AGT) |
| No. Attleboro | Transco | FT | 6432 | 23 | 8,395 | \$2.9100 | \$803 | 06/01/93 | 06/01/08 12 months | | 06/01/07 | yes | Wharton (National Fuel) | Centerville, N.J. (AGT) |
| No. Attleboro | Transco | FT | 7734 | 807 | 294,555 | \$2.9100 | \$28,180 | 01/28/94 | 06/01/08 12 months | | 06/01/07 | yes | Wharton (National Fuel) | Centerville, N.J. (AGT) |

(a) Termination Letter has been sent

(b) Texas Eastern rates are combined supply and market area costs divided by market area MDQ

Information Request DTE-LDC-1-3

Please provide the following information for all of the Company's asset/portfolio management contracts in a tabular form.

- (a) name of asset/portfolio manager
- (b) length of contract, indicating starting and expiration dates
- (c) pricing terms
- (d) terms of contract, e.g., whether evergreen

Response

At this time neither Fall River Gas Company nor North Attleboro Gas Company has an asset management contract in effect.

Information Request DTE-LDC-1-4

Please discuss and fully support your answer with respect to the reduction in the number of marketers since 1999 up to day. Is it because consumers decide to migrate back to the LDC or it is because marketers leave the system and as a result, customers have to go back to default service?

Response

To the best of the Company's knowledge, marketers that have exiting the Fall River and North Attleboro service areas have done so primarily as a result of changes in their business plans. Following the collapse of Enron during the winter season beginning November 2001, gas marketers that previously served the Company's customers came under increased government scrutiny for certain business and accounting practices, leading to much stricter credit reviews and additional scrutiny by regulators. Marketing activity slowed substantially and many marketers decided not to pursue medium or single proprietor types of businesses in an effort to consolidate their overall financial and business operations.

Information Request DTE-LDC-1-5

Please provide information on transportation service for the period 1996-present on a seasonal basis (heating and non-heating seasons) as it is depicted in attached Table 1: "Transportation Service"

RESPONSE:

The Company has not historically tracked monthly transportation customer counts and consumption segmented by capacity exempt and non-capacity exempt. Based on a snapshot of current transportation customers, the Company identified that approximately 70 percent of transportation volumes are associated with capacity-exempt customers. Please see Attachment DTE-LDC-5 (NEGASCO) for the Company's estimate of the requested information.

Transportation Service

| Capacity Exempt | | | | | | Non-Capacity Exempt | | | |
|---------------------|-------------------------------------|-------------------------------|--------------|-------------------------------|--------------------|-------------------------------------|-------------------------------|--------------|-------------------------------|
| Season-Year | Average Monthly Number of Customers | % of Company's Customer Class | Volume (Mcf) | % of Company's Customer Class | Use / Customer (1) | Average Monthly Number of Customers | % of Company's Customer Class | Volume (Mcf) | % of Company's Customer Class |
| <u>1996-1997</u> | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| C&I LLF | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| C&I HLF | 10 | 100.0% | 881,828 | 100.0% | 88,183 | 0 | 0.0% | 0 | 0.0% |
| Total | 10 | 100.0% | 881,828 | 100.0% | 88,183 | 0 | 0.0% | 0 | 0.0% |
| <u>1997-1998</u> | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| C&I LLF | 19 | 100.0% | 185,693 | 100.0% | 9,773 | 0 | 0.0% | 0 | 0.0% |
| C&I HLF | 14 | 100.0% | 911,414 | 100.0% | 65,101 | 0 | 0.0% | 0 | 0.0% |
| Total | 33 | 100.0% | 1,097,107 | 100.0% | 33,246 | 0 | 0.0% | 0 | 0.0% |
| <u>1998-1999</u> | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| C&I LLF | 25 | 100.0% | 185,693 | 100.0% | 7,428 | 0 | 0.0% | 0 | 0.0% |
| C&I HLF | 19 | 100.0% | 880,502 | 100.0% | 46,342 | 0 | 0.0% | 0 | 0.0% |
| Total | 44 | 100.0% | 1,066,194 | 100.0% | 24,232 | 0 | 0.0% | 0 | 0.0% |
| <u>1999-2000</u> | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% |
| C&I LLF | 29 | 100.0% | 273,027 | 100.0% | 9,415 | 0 | 0.0% | 0 | 0.0% |
| C&I HLF | 20 | 100.0% | 944,149 | 100.0% | 47,207 | 0 | 0.0% | 0 | 0.0% |
| Total | 49 | 100.0% | 1,217,176 | 100.0% | 24,840 | 0 | 0.0% | 0 | 0.0% |

Transportation Service

| Capacity Exempt | | | | | | Non-Capacity Exempt | | | | | |
|---------------------|-------------------------------------|-------------------------------|--------------|-------------------------------|--------------------|-------------------------------------|-------------------------------|--------------|-------------------------------|--------------------|--------|
| Season-Year | Average Monthly Number of Customers | % of Company's Customer Class | Volume (Mcf) | % of Company's Customer Class | Use / Customer (1) | Average Monthly Number of Customers | % of Company's Customer Class | Volume (Mcf) | % of Company's Customer Class | Use / Customer (1) | |
| <u>2000-2001</u> | | | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% | 0 | 0 |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% | 0 | 0 |
| C&I LLF | 29 | 90.6% | 244,061 | 82.8% | 8,416 | 3 | 8.6% | 50,776 | 17.2% | 16,925 | 16,925 |
| C&I HLF | 20 | 87.0% | 695,416 | 91.4% | 34,771 | 3 | 11.5% | 65,517 | 8.6% | 21,839 | 21,839 |
| Total | 49 | 89.1% | 939,477 | 89.0% | 19,173 | 6 | 9.8% | 116,293 | 11.0% | 19,382 | 19,382 |
| <u>2001-2002</u> | | | | | | | | | | | |
| Residential Regular | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% | 0 | 0 |
| Residential Heating | 0 | 0.0% | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0.0% | 0 | 0 |
| C&I LLF | 28 | 26.7% | 213,370 | 60.0% | 7,620 | 77 | 42.3% | 142,247 | 40.0% | 1,847 | 1,847 |
| C&I HLF | 17 | 29.8% | 682,965 | 80.0% | 40,174 | 40 | 41.2% | 170,741 | 20.0% | 4,269 | 4,269 |
| Total | 45 | 27.8% | 896,335 | 74.1% | 19,919 | 117 | 41.9% | 312,988 | 25.9% | 2,675 | 2,675 |

notes: (1) number represents total transportation volume during the 12-mth period divided by the average monthly number of customers transporting, the Company does not have the average annual use of those customers who transported at some point during the 12 month period

Information Request DTE-LDC-1-6

Please provide information on reverse migration experienced by the Company during the period 1996-present on a seasonal basis (heating and non-heating seasons) as depicted in attached Table 2: "Reverse Migration"

RESPONSE:

Although the Company tracks the number of customers switching from transportation service to sales service in a given month, the Company does not separately track "capacity-exempt" versus "non-capacity exempt" or the reverse migration volumes and cannot provide the requested information.

Information Request DTE-LDC-1-7

Please provide information on marketers serving the Company's service territory during the period 1996-present on a seasonal basis (heating and non-heating seasons) as depicted in Table 3: "Active Marketers"

Response

The requested information that is readily available is as follows:

| Season-Year | Volume | | Active Period | |
|----------------------------------|---------------------------------|---|---------------|--------------|
| Fall River Peak 02-03 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 71.0% | 9.4% | 4-1-96 | Still active |
| Marketer B | 10.9% | 1.4% | 7-21-00 | Still active |
| Marketer C | 13.1% | 1.7% | 4-1-99 | Still active |
| Marketer D | 3.0% | 0.4% | 12-1-00 | Still active |
| Marketer E | 0.0% | 0.0% | 8-7-03 | Still active |
| Marketer F | 2.0% | 0.3% | 2-27-01 | 6-4-04 |
| | | | | |
| Total | 100.0% | 13.2% | | |

| Season-Year | Volume | | Active Period | |
|-----------------------------------|---------------------------------|---|---------------|--------------|
| Fall River Off-Peak 03 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 54.5% | 12.0% | 4-1-96 | Still active |
| Marketer B | 3.4% | 0.7% | 7-21-00 | Still active |
| Marketer C | 9.3% | 2.0% | 4-1-99 | Still active |
| Marketer D | 8.0% | 1.8% | 12-1-00 | Still active |
| Marketer E | 23.8% | 5.2% | 8-7-03 | Still active |
| Marketer F | 1.0% | 0.2% | 2-27-01 | 6-4-04 |
| Total | 100.0% | 21.9% | | |

New England Gas Company
 Department of Telecommunications and Energy
 D.T.E. 04-1
 Information Request: **DTE-LDC-1-7**
 June 18, 2004
 Person Responsible: Peter Czekanski
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| Season-Year | Volume | | Active Period | |
|------------------------------------|---------------------------------|---|---------------|--------------|
| Fall River Peak 03 - 04 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 0.3% | 0.0% | 4-1-96 | Still active |
| Marketer B | 12.8% | 1.9% | 7-21-00 | Still active |
| Marketer C | 38.6% | 5.6% | 4-1-99 | Still active |
| Marketer D | 45.7% | 6.7% | 12-1-00 | Still active |
| Marketer E | 1.9% | 0.3% | 8-7-03 | Still active |
| Marketer F | 0.7% | 0.1% | 2-27-01 | 6-4-04 |
| | | | | |
| Total | 100.0% | 14.6% | | |

New England Gas Company
Department of Telecommunications and Energy

D.T.E. 04-1

Information Request: **DTE-LDC-1-7**

June 18, 2004

Person Responsible: Peter Czekanski

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| Season-Year | Volume | | Active Period | |
|-----------------------------------|---------------------------------|---|---------------|--------------|
| N Attleboro Peak 02-03 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 100.0% | 12% | 7-1-99 | Still active |
| | | | | |
| Total | 100.0% | 13.2% | | |

| Season-Year | Volume | | Active Period | |
|------------------------------------|---------------------------------|---|---------------|--------------|
| N Attleboro Off-Peak 03 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 100% | 15% | 7-1-99 | Still active |
| | | | | |
| Total | 100.0% | 21.9% | | |

| Season-Year | Volume | | Active Period | |
|-------------------------------------|---------------------------------|---|---------------|--------------|
| N Attleboro Peak 03 - 04 | MMBtu / Total transp. Volume | Percentage on total Company's sendout | Entering Date | Exiting Date |
| Marketer A | 100% | 10% | 7-1-99 | Still active |
| | | | | |
| Total | 100.0% | 14.6% | | |

Information Request DTE-LDC-1-8

Please compute the median time period of marketers, serving the Company's service territory, during the period 1996 to present.

Response

During the period 1996 to present, there were 14 marketers that, at some point, served the Company's Fall River service territory (5 are still active). The median time period that those marketers served the Fall River service territory was 1,019 days.

For the North Attleboro service territory, there were 3 marketers that provided service at some point during that period (1 is still active). The median time period that those marketers served the North Attleboro service territory was 914 days.

Information Request DTE-LDC-1-9

Describe all the activities directed to both consumers and marketers that the Company undertook to facilitate the transition to a competitive market since the 1999 Unbundling order issued by the Department.

Response

The Company's active involvement in the Department of Telecommunications and Energy's (the "Department") Gas Collaborative (the "Collaborative") process was a major activity directed toward facilitating the transition to a competitive market. The Collaborative included marketers, representatives of consumer groups and large business. The Company also made a significant effort to develop and establish systems and procedures for administering system wide transportation service.

In addition, North Attleboro Gas Company unbundled its distribution rates and introduced a new bill format to facilitate customer choice. In January 2001, the Customer Choice brochure, developed in cooperation with the Department, was mailed to all customers in New England Gas Company's Massachusetts service area. The Company's marketing people also met one-on-one with the largest commercial and industrial customers in the Company's service territories and provided customer choice information on the Company's website. The Company also developed bill inserts, a supplier training brochure and a direct mail piece for all grandfathered customers notifying customers and suppliers of the Company's efforts regarding the development of the competitive market.

Information Request DTE-LDC-1-10

Please provide the following information for the period January 2003 through December 2003:

- (a) the Company's peak day load to serve both firms sales and firm transportation customers;
- (b) volume (in MMBtu) and percentage of peak day load to serve firm transportation customers over the Company's peak day load (obtained in part a);
- (c) volume (in MMBtu) and percentage of the Company's peak day load (obtained in part A) that would come up for renewal over the next five years;
- (d) incremental capacity needs (in MMBtu) anticipated by the Company for the next five years;
- (e) compute the sum of volume obtained in parts C and D above and compute the percentage of the resulting volume with respect to the Company's 2003 peak day load.

Response

- (a) Peak day sendout on January 22, 2003 for Fall River was 61,531 MMBtu. Peak day sendout on January 22, 2003 for North Attleboro was 5,319 MMBtu.
- (b) Fall River's volume was 7,181 MMBtu, or 11.67 percent of the peak day sendout for Fall River. North Attleboro's volume was 523 MMBtu, or 9.8 percent of the peak day sendout for North Attleboro.
- (c) Fall River's volume is 19,484 MMBtu, or 31 percent. North Attleboro's volume is 4,804 MMBtu, or 90 percent.
- (d) The most recent filed "Forecast and Supply Plan" for the combined Fall River and North Attleboro Gas Companies demonstrated that no new resources were required to meet either Peak Day or Design Winter conditions over the five year period that the study encompassed, i.e., 2003-2008.
- (e) Fall River's volume is 19,484 MMBtu, or 31 percent. North Attleboro's volume is 4,804 MMBtu, or 90 percent.

Information Request DTE-LDC-1-11

Please provide information on switching activities (transfers from marketer to marketer) for the period 1996-present on a seasonal basis (heating and non-heating seasons) as it is depicted in attached Table 4: "Switching Activity"

Response

The Company does not track the switching information requested by the Department.

Information Request DTE-LDC-1-12

Please provide information on gas and capacity costs for the period 1996-present on a seasonal basis (heating and non-heating seasons) as it is depicted in attached Table 5: "Gas and Capacity Costs"

Response

New England Gas Company has a single Gas Charge applicable to all customer classes within each service territory and therefore, does not calculate or record gas costs by rate class. The Company's Gas and Capacity Costs for the years 2001 through 2003 are as follows:

| Season-Year | Average Gas Price (\$/MMBtu) | Average Capacity Cost (\$/MMBtu) | GAF (\$/MMBtu) | Volume (MMBtu) |
|--------------------|------------------------------|----------------------------------|----------------|----------------|
| Fall River | (1) | (2) | (3) | |
| Peak 00-01 | \$5.57 | \$2.21 | \$7.63 | 4,497,842 |
| Off-Peak 01 | \$3.91 | \$3.93 | \$8.91 | 1,028,408 |
| Peak 01-02 | \$3.74 | \$1.31 | \$6.94 | 3,405,179 |
| Off-Peak 02 | \$4.30 | \$4.29 | \$5.28 | 1,029,948 |
| Peak 02-03 | \$6.49 | \$0.96 | \$7.80 | 4,582,031 |
| Off-Peak 03 | \$5.11 | \$3.37 | \$7.38 | 1,269,831 |
| Peak 03-04 | \$6.88 | \$0.82 | \$9.16 | 4,346,679 |
| | | | | |
| N Attleboro | (4) | (5) | (6) | |
| Peak 00-01 | \$7.10 | \$0.80 | \$8.70 | 403,244 |
| Off-Peak 01 | \$3.89 | \$3.24 | \$7.95 | 109,768 |
| Peak 01-02 | \$3.10 | \$1.12 | \$5.84 | 325,735 |
| Off-Peak 02 | \$4.49 | \$3.16 | \$3.99 | 116,577 |
| Peak 02-03 | \$6.54 | \$0.72 | \$8.06 | 437,343 |
| Off-Peak 03 | \$6.54 | \$2.68 | \$7.95 | 122,299 |

Notes:

New England Gas Company
Department of Telecommunications and Energy
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Person Responsible: Peter Czekanski
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- (1) based on costs assigned to accounts 175.2 and 175.4 in GAF reconciliation filings
- (2) based on costs assigned to accounts 175.1 and 175.3 in GAF reconciliation filings
- (3) based on total GAF revenues, including working capital, from GAF reconciliation filings
- (4) based on Base plus Supplemental costs from GAF reconciliation filings
- (5) based on Base Demand costs from GAF reconciliation filings
- (6) based on total GAF revenues, including working capital, from GAF reconciliation filings

Information Request DTE-LDC-1-13

Some market participants propose that LDCs should calculate and release a baseload level of capacity associated with the marketer's load for a year, and only execute monthly recalls and re-releases of incremental levels of capacity, "baseload method of assignment." According to the marketers, this proposed practice will benefit customers and will improve efficiencies for both the LDCs and marketers. In this regard, please:

- (a) discuss whether you would agree with marketers in terms of improved efficiencies and benefits for customers;
- (b) discuss the potential pros and cons of the base method of assignment respect to the current method of monthly releases and recalls in place.

Response

- (a) New England Gas Company does not have sufficient information to assess whether, from a marketer's perspective, that there are improved efficiencies and benefits to the customers through utilization of the "baseload method of assignment." However, if the Department were to determine that this method was preferable, the Company could change its assignment methodology to conform with this approach.
- (b) There are two (2) disadvantages to the proposed base method of assignment. First, pipeline companies do not currently allow incremental recalls of capacity. Capacity is recalled in the same quantity as was initially released and then a new release must be generated. Second, releasing pipeline capacity for a year makes the release subject to bidding under the FERC's pipeline capacity release rules. Capacity bidding could force marketers to pay more than maximum rates for the capacity they require. Automated capacity releasing on a monthly basis is simpler and, although it may require slightly more activity between the parties, it is preferable because it allows the use of a single contract to nominate monthly versus using a baseload contract and other incremental release contracts.